

**Arkansas Division of Elementary and Secondary Education
Rules Governing the Educator Compensation Reform Program
Effective January 1, 2020**

1.00 PURPOSE

- 1.01 These rules shall be known as the Arkansas Division of Elementary and Secondary Education (“Division”) Rules Governing the Educator Compensation Reform Program.
- 1.02 The purpose of these rules is to provide the process and procedures necessary to calculate and allocate Educator Compensation Reform Program funds to eligible school districts.

2.00 AUTHORITY

- 2.01 The Arkansas State Board of Education promulgated these rules pursuant to the authority granted to it by Ark. Code Ann. §§ 6-11-105, 25-15-201 et seq., and Acts 170 and 877 of 2019.

3.00 DEFINITIONS

As used in these rules:

- 3.01 “Educator Compensation Reform Program fund” means a fund established within the Public School Fund, for the Division, made available to school districts to assist with the cost of increasing teacher salaries as required by Ark. Code Ann. § 6-17-2403.
- 3.02 “Foundation Funding” means the same as the definition set forth in Ark. Code Ann. § 6-20-2303(7) and is the amount set forth in Ark. Code Ann. § 6-20-2305(a)(2).
- 3.03 "Teacher" means an individual who is required to hold a teaching license from the Division and who is engaged directly in instruction with students in a classroom setting for more than seventy percent (70%) of the individual's contracted time, a guidance counselor, or a librarian.
 - 3.03.1 "Teacher" also includes a nonlicensed classroom teacher employed in a position under a waiver from licensure.

4.00 IMPLEMENTATION

- 4.01 The Educator Compensation Reform Program ("Program") was established to provide additional funding to school districts currently below the minimum teacher salary schedule set forth in Ark. Code Ann. § 6-17-2403, and assist school districts in ensuring that all educators in public school districts receive

a minimum annual salary of \$36,000 over a four-year period.

- 4.02 School districts that adhered to a teacher compensation schedule at or above \$36,000 for a teacher with a bachelor's degree and zero (0) years of experience in the 2018-2019 school year shall not be eligible for funds under the Program.
- 4.03 School districts that implement a teacher compensation schedule at or above \$36,000 for a teacher with a bachelor's degree and zero (0) years of experience prior to the 2022-2023 school year shall not be eligible to receive funding under the Program the year after the \$36,000 minimum salary schedule becomes effective and thereafter.
- 4.04 Any public school district or open-enrollment public charter school that has or receives a waiver of the teacher minimum salary schedule during implementation of the Program shall not be eligible to receive Program funds and shall be responsible for repayment of any Program funds received prior to receiving the waiver.
- 4.05 School districts requesting Program funds shall provide information documenting eligibility for Program funds to the Division, including without limitation, the school district's plan for implementation of required salary increases and any anticipated or projected adjustments to staff, by completing and submitting the editable application form available on the Division's website at: <http://dese.ade.arkansas.gov/divisions/fiscal-and-administrative-services/educator-compensation-reform-program>.

5.00 CALCULATION

- 5.01 The number of all licensed full-time equivalents (FTEs) not paid with federal funds in each school district will be used to calculate the amount of Program funds a school district is eligible to receive.
- 5.02 The amount of Program funds a school district is eligible to receive each year shall be calculated as follows:
 - 5.02.1 Subtract each school district's minimum teacher salary for the prior school year for a teacher with a bachelor's degree and zero (0) years of experience from the minimum salary indicated by the school district for the current year, up to \$36,000.
 - 5.02.2 Multiply the amount in 5.02.1 by the school district's 2017-2018 FTE count for licensed personnel not paid with federal funds.
 - 5.02.3 Multiply the result from 5.02.2 by the current rate of Federal Insurance Contributions Act (FICA) tax and teacher retirement employer matching rate.
 - 5.02.4 Add the result of 5.02.3 to the result of 5.02.2 to determine the total

amount necessary for the district to increase salaries and fringe.

6.0 DISBURSEMENT

- 6.01 School districts that qualify for Program funds will be notified of the amount the school district is eligible to receive.
- 6.02 The superintendent of a school district that receives Program funds shall certify acceptance of the funds, adherence to these rules, and expenditure of the funds for the specified purpose.
- 6.03 The Division shall disburse each school district's allocation of Program funds on or before February 15 each year of implementation, in accordance with the approved application form.
 - 6.03.1 A school district may request that an adjustment be made to its disbursement of Program funds during implementation of the Program by submitting a new application form to the Division.
 - 6.03.2 A request to change the disbursement of Program funds must be approved by the Commissioner of Education.
- 6.04 If funds are not sufficient to fully fund the Program, the Division shall distribute the available funding to eligible school districts on a pro rata basis.